GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:81
ANSWERED ON:30.11.2015
Special Economic Zones
Arunmozhithevan Shri A.;Biju Shri Parayamparanbil Kuttappan;Innocent Shri ;Khuba Shri Bhagwanth;Muddahanumegowda Shri S.P.;Mukherjee Shri Abhijit

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

a) the details of functional/nonfunctional Special Economic Zones (SEZs) in the country at present, State/UT-wise and the target fixed for employment generation in SEZs along with the achievements thereof;

b) whether the Government proposes to set up new SEZs in the country and if so, the details and the present status thereof, State/UT-wise including West Bengal;

c) the details of the proposals received and approved by the Government in this regard including those which have been rejected along with the reasons therefor during the last three years and the current year, State/UT-wise including Karnataka;

d) whether the functional SEZs have not been able to achieve Net Foreign Exchange earnings and if so, the reasons for the decline in the growth of SEZs; and

e) whether the Government proposes to review the functioning and performance of SEZs in the country and if so, the details thereof along with the steps taken/being taken by the Government to improve the functioning of SEZs?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)
(a): In addition to Seven Central Government Special Economic Zones (SEZs) and 11 State/Private Sector SEZs set-up prior to the enactment of the SEZ Act, 2005, approval has been accorded to 411 proposals for setting up of SEZs, out of which 327 SEZs have been notified as on date. Presently, a total of 204 SEZs are exporting. A statement showing State/UT-wise details of operational/non-operational SEZs is at Annexure-I. Further, no employment generation target is fixed for SEZs. As on 30.06.2015, a total of 15,04,597 persons have been provided employment in SEZs.
(b) and (c): Proposals for setting up of Special Economic Zones (SEZs) are approved by the Board of Approval (BoA) on recommendations of the relevant State Government. Approval of SEZs is an on-going process as they are created under the provisions of the SEZs Act, 2005. Currently, there is no new proposal for setting up of SEZ in the State of West Bengal. During the last three years and current year, BoA has approved 19 proposals including 2 proposals in the State of Karnataka for setting up of SEZs. State/UT-wise list of SEZs approved by Board of Approval during the last three years and the current year is at Annexure-II. No proposal has been rejected during this period.

(d): As per the provisions of the SEZs Act, 2005 and Rules framed thereunder, a SEZ Developer is not required to achieve Net Foreign Exchange earnings. However, the SEZ units are under an obligation to achieve positive Net Foreign Exchange (NFE) earnings to be calculated cumulatively for a period of 5 years from the commencement of production, failing which the units shall be liable for penal action under the provisions of the Foreign Trade (Development and Regulation) Act, 1992.

(e): Review of functioning of SEZs is an on-going process and on the basis of inputs/suggestions received from stakeholders on the policy and operational framework of the SEZ Scheme, periodically reviews the policy and operational framework of SEZs and takes necessary measures so as to facilitate speedy and effective implementation of SEZ Scheme. The Government has notified SEZ Rules (Amendment), 2015 vide G.S.R. 5(E) dated 02.01.2015 allowing dual utilization of facilities in Non-Processing Area (NPA) of SEZs by both SEZ and non-SEZ entities. Besides, timelines for disposal of various approvals of Developers and Units have been introduced in all SEZ Zones.

*****

Annexure-I to the Lok Sabha Unstarred Question No. 81 for 30th November, 2015

States/UTs Operational SEZs Non-operational SEZs
Andhra Pradesh 19 12
Chandigarh 2 0
Chhattisgarh 1 1
Delhi 0 2
Goa 0 7
Gujarat 18 16
Haryana 7 15
Jharkhand 0 1

Karnataka 26 33
Kerala 16 14
Madhya Pradesh 2 11
Maharashtra 25 35
Manipur 0 1
Nagaland 0 2
Odisha 2 6
Puducherry 0 1
Punjab 2 2
Rajasthan 4 6
Tamil Nadu 36 17
Telangana 26 22
Uttar Pradesh 11 13
West Bengal 7 8
GRAND TOTAL 204 225

*****

Annexure-II to the Lok Sabha Unstarred Question No. 81 for 30th November, 2015

List of State wise SEZs approved by Board of Approval during the last three years and current year (upto 30.11.2015)

States Number of Approvals granted
Andhra Pradesh 1
Gujarat 2
Karnataka 2
Kerala 1
Maharashtra 4
Manipur 1
Madhya Pradesh 1
Uttar Pradesh 2
Tamil Nadu 3
Telangana 2
Total 19

*****